Nevada County Transportation Commission

The Nevada County Transportation Commission (NCTC) is the Regional Transportation Planning Agency for Nevada County. NCTC coordinates state and federal transportation programs for Nevada County, the City of Grass Valley, Nevada City, and the Town of Truckee.

2005 NCTC Commissioners

Nate Beason

Nevada County District I Supervisor

Tim Brady

Member-at-Large

Patti Ingram

Grass Valley City Council

Russ Steele. Vice-Chairman

Member-at-Large

Josh Susman

Truckee Town Council

Robin Sutherland

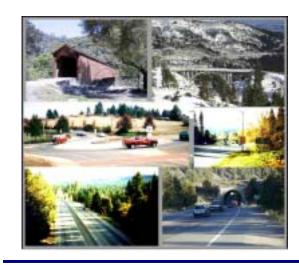
Nevada County District IV Supervisor

Conley Weaver

Mayor, City of Nevada City

Nevada County Transportation Commission Newsletter

101 Providence Mine Road, Suite 102 Nevada City, CA 95959



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The Nevada County Transportation Commission Newsletter is published quarterly. If you would like to be added to the mailing list, please write or call the Nevada County Transportation Commission office.

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Upcoming NCTC Meeting

The next meeting of the Nevada County **Transportation Commission is scheduled on:**

Wednesday, March 16, 2005 at 8:30 a.m., Nevada City City Hall, 317 Broad Street, Nevada City, CA.

Nevada County Transportation Commission Newsletter

Issue 23 February 2005

"Creating a better future by building upon successes of the past"



"California's Transportation Program Is In Crisis And On The Verge Of Collapse"

-California Transportation Commission, 2004 Annual Report to CA Legislature











In 2005 the Nevada County Transportation Commission is tasked with planning and implementing transportation improvements with fewer funds, in a challenging local environment of expansion.

Most Californians have heard the news media expound on the Governor's plans to decrease the deficit and balance the State Budget. But, many citizens don't understand the complicated funding structures and the long-term implications of "borrowing" money from one pot to cover expenses in another pot.

Over the past three years, \$3.5 billion have been diverted from transportation sales tax funds to the State General Fund. The diversion of sales tax revenues occurred even though in 2002 nearly 70% of the voters approved Proposition 42, which required that the state sales tax on motor fuels be used for transportation purposes only. There is a clause that allows suspension of the law by a 2/3 legislative vote during fiscal emergencies, which allowed Prop. 42 funds to be "borrowed" by the Governor and Legislature. There is no provision to repay these funds anytime soon.

The California Transportation Commission (CTC) expressed their concerns in the first line of their annual report shown above.

As seasoned transportation advocates, they see the writing on the wall for a state that relies heavily on its roadways, rail system, and transit to move people and goods. "Where the state once had a transportation program funded almost exclusively from user fees protected by the California Constitution (gasoline taxes and weight fees), we now have a program dependent primarily on motor fuel sales taxes, without constitutional protection. ... The elimination of the state transportation construction program over the past two years is unprecedented, the result of a basic structural problem in California's system of transportation financing." (CTC 2004 Annual Report.)

There are some key decisions ahead that could impact the State's livelihood in the future. What role do we play, as citizens of Nevada County, at these critical crossroads of our State and community?

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Transportation Funding Flow

Described below is the flow of transportation funds from the Federal Government down to our County, and how that flow has been altered in recent years.

Federal to State: The Federal Highway Trust Fund contributes dollars from gasoline, diesel fuel, truck/trailer sales and use taxes, into the State Highway Account. Federal Aid is also paid into the City/County Road Funds and Mass Transit funding. Federal Transit Grants are set up to help Rural Transit Agencies/Operators.

The Transportation Equity Act (TEA-21) provided \$217 billion in funds from 1998 through 2003, but reauthorization of the Act has been delayed in Congress for two years. The Bush Administration is currently looking at a new six-year highway and transit spending program that is financed mainly through the federal share of gasoline taxes. This is due in part to a new law passed last year to generate more revenue through raised taxes on ethanol, to match what is charged on gasoline. The Administration had set a \$256 billion amount, while the Senate passed a bill calling for \$318 billion, and the House passed their version at \$284 billion. The Bush Administration recently accepted the \$284 figure, and the House is reintroducing legislation to provide for the \$284 billion plan. The Senate appears to be sticking to the \$318 billion bill, so a House/Senate conference committee will work out the differences in hopes of reaching a compromise that President Bush will agree to. California could potentially receive \$17 to \$21 billion over six years; an increase of \$2 to \$6 billion from the old program. California contributes more gas tax dollars into the Federal Highway Trust Fund than they receive back, so it is hoped the new bill will guarantee a 95% return.



"Not investing in transportation is probably one of the most short-sighted things that we can do in this budget," states Assemblywoman Jenny Oropeza, Chair of the CA State Assembly Committee on Transportation.



"The wealthiest state in the richest country on the planet has the worst roads in the nation. Six of our regions have made the top 10 national list of poor roads. You would think that the state that invented the freeway system could do better than Third World roads. It's a sorry state of affairs when the fastest part of our commute is down our driveway."

Quotes from Bob Balgenorth, past-Chairman of the CTC.

State to Regional/Local: The headline of this newsletter describes the situation before us today. The state and federal gas tax has not increased in over fifteen years, which not only ranks California 38th in the nation in gas tax amounts, but the purchasing power of these tax dollars has eroded due to inflation. Funding for the State Transportation Improvement Program (STIP) is dependent more and more upon sales tax revenues. Of the \$5.4 billion programmed to fund the 2004 STIP, about \$4.0 billion (75%) was scheduled to come from sales tax revenues, \$3.3 billion from Proposition 42 transfers (which included payback of past loans), and \$0.7 billion to the Public Transportation Account. With only 25% of the STIP now funded with fuel tax revenues, and Prop. 42 funds being transferred to the General Fund, the implications are clear. If diversion of Prop. 42 funds continues, the California Transportation Commission (CTC) can assume that none of these revenues will be available for the 2006 STIP programming cycle. This means about \$3.6 billion, roughly half of the statewide STIP funding, will be lost.

The CTC has not had cash available to fund new transportation projects since June 2003. With the transportation budget freeze, there is little provision to maintain our current roadways, let alone plan for additions or improvements. Bob Balgenorth, CTC past-Chair, commented that our freeway system was once the envy of the entire world and is now heading for Third World status if we don't fix it. Already in Kings and Tulare Counties highway maintenance funds are so scarce they have scraped the crumbling asphalt off some local roads and have gone back to gravel.

Mr. Balgenorth also reported that every 1 billion spent on construction work creates about 26,000 jobs. Consequently, a cut in the transportation budget of 2 billion would result in a loss of 2,000 jobs.

What can the citizens of Nevada County do to impact the funding of transportation projects in our county and state? You can play a big part by staying informed, and get involved by vocalizing your concerns and viewpoints at the state and federal levels. We all depend on some form of transportation each day: to get around town or commute to work by car, bus, or rail; to purchase and receive or send goods transported by trucks and rail; and many depend on the transportation network for their incomes. Yet many people don't take the time to understand public issues and laws (like Prop. 42) governing and funding our local and state projects. Consider using the information in this newsletter to serve as a platform to personally get involved. If you make the transportation issue a high priority and voice your opinions in Sacramento and Washington, your action today could potentially divert disaster for California. "There is absolutely no reason why we should settle for third-rate streets and highways when we know that they are vital to the flow of goods and services generated by the greatest economic engine the world has ever seen," says Bob Balgenorth.



New 2005 NCTC Commissioners

New NCTC Commissioners for 2005 — The Nevada County Transportation Commission (NCTC) would like to introduce two new Commissioners. *Patti Ingram* joined the Commission at our December 2004 meeting, representing the City of Grass Valley. She replaces DeVere Mautino who served as Chairman on the NCTC in 2004.

The Nevada County Board of Supervisors appointed new member *Nate Beason* to the NCTC on January 11, 2005. Mr. Beason is replacing Peter Van Zant who took over for Drew Bedwell on the Commission.

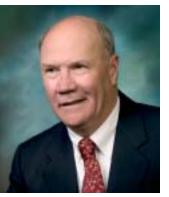


Patti Ingram is of direct Cornish decent. Her great-great grandfather came to Grass Valley in 1881 to work as a pump man at the Empire Mine. She takes pride in her "family roots" and that her father was a Grass Valley boy and her mother a Nevada City girl. She is currently employed as an escrow manager and senior escrow officer at a local title company; a career which began 32 years ago.

Patti was first elected to the Grass Valley City Council in 1998, and upon re-election in 2002 served as the City's Mayor. She is currently in the middle of her second term as a City Council member. Patti has represented the city on many boards and commissions including the General Plan Update, LAFCO, the League of California Cities, the City's budget and finance committee, and liaison to the Grass Valley/Nevada County Chamber of Commerce and Grass Valley Downtown Association.

She is President of the Grass Valley Rotary Club, and is the great granddaughter of the club's first President, Thomas Ingram, in 1925. She recently received the Grass Valley/Nevada County Chamber of Commerce's "Chairman's Award" for her advocacy of business in the community.

Patti married John Spencer in 2003 and between the two of them have three children and two grandchildren. Patti and John enjoy camping, their grandchildren, and traveling.



Nate Beason was born in Long Beach, CA and grew up in the San Joaquin Valley in a blue collar household in a blue collar town. He was a naval officer for 30 years, rising to the rank of captain. He served on eight ships, three of them as commanding officer. He also commanded two shore activities. In 1993, Nate was the commander of a sevenship international naval task force

involved in Operation Restore Hope in Somalia. He is a veteran of Viet Nam and made three deployments to the Middle East in command of warships.

After retiring from the U.S. Navy, Nate was a project manager for a 400 user computer software installation and implementation, and he taught leadership and management skills to company executives for five years. He has a BA and MA from U.C. Santa Barbara and a Masters from Stanford University. In 1989, he was the Arthur S. Moreau Fellow in International Relations and Diplomacy at Stanford. He served as an adjunct professor at U.C. Berkeley from 1995 to 1998.

Nate is a life member of the Disabled American Veterans and the University of California Alumni Association. He is also a member of Trout Unlimited.

Nate has been married for 38 years to the former Betty Hopkins. They have two children and two grandchildren. He enjoys his grandchildren, fly-fishing, reading, and gardening.

Funding Impacts on Local Transportation Projects

Let's look at the facts of how our community is affected by the diversion of transportation funds.

Dorsey Drive Interchange is funded with STIP and local funds and had \$16.8 million programmed in the STIP. Of those funds, only \$1.2 million have actually been allocated for work on the project. In order to keep the project on schedule, an additional \$9.5 million will need to be allocated prior to July 2006.

State Route 49 Widening from Combie Road to Grass Valley – The STIP includes \$18.1 million for this project. Of that amount, \$3.5 million has been allocated. In order to keep the project on schedule, an additional allocation of \$8.9 million will be needed before January 2007.

State Route 89 "Mousehole" – This project is in the planning stage and the Town of Truckee has taken the status of "lead agency" in developing plans for this improvement. In the STIP \$498,000 was programmed for this planning project. However, due to the CTC allocation freeze, no monies have been allocated.

Local Transit Funding – Under statutory requirements already in place, the transit agencies in Nevada County should receive

\$434,334 in the 2005/06 fiscal year from the State Transit Assistance program. Under the Governor's proposed budget, transit operators will receive \$193,395.

Deferred Road Pavement and Maintenance Programs – The recent diversions of funds have brought Nevada County Department of Transportation and Sanitation to a point where roads that should be repaved on an eighteen to twenty year cycle, will have to wait as much as fifty years before funding is available. Forty-five percent of the roads in the county are already in a condition of fair to very poor. There is a \$4 million annual shortfall and a \$26 million backlog of revenues needed to maintain the existing road system.



As Nevada County roadways continue to deteriorate and become more crowded, and our bus fares escalate as service cuts continue, there is no end in sight to the dilemma caused by a decreased cash flow.

NEVADA COUNTY TRANSPORTATION COMMISSION

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